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SENATE BILL 1228

By Cooper

AN ACT to amend Tennessee Code Annotated, Title 66, Chapter 29, relative to unclaimed property.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 66-29-112 is amended by adding the following language as the last sentence of the existing section:

However no outstanding check, draft, credit balance, customer's overpayment, or unidentified remittance issued to a business entity or association as part of a commercial transaction in the ordinary course of the holder's business shall be presumed abandoned.

SECTION 2. Tennessee Code Annotated, Section 66-29-118 is amended by designating the existing language as subsection (a) and adding the following language as a new subsection:

(b) Provided, however, that no determination by the treasurer may require the alleged holder to pay over or deliver property to the treasurer which would have been presumed abandoned for more than ten (10) years, pursuant to the provisions of this chapter. The running of the ten-year period shall be tolled during such time as the

alleged holder shall have either been outside of the State of Tennessee, or failed or refused to allow the treasurer to examine its books and records on request.

SECTION 3. Tennessee Code Annotated, Section 66-29-125 is amended by designating the existing language as subsection (a) and adding the following language as a new subsection:

(b) Any person who has been determined by the treasurer to be the holder of abandoned property which the treasurer asserts should have been paid or delivered to the treasurer pursuant to this chapter may file a complaint challenging such determination in the chancery court for Davidson County, naming the treasurer as the defendant and asking the court for a determination of whether the treasurer's determination is valid and correct. The suit must be brought within six (6) months from the date the treasurer's determination is received by the person to whom it is addressed. A copy of the complaint shall also be served on the attorney general and reporter. The suit shall be tried without a jury. The court may declare that the treasurer's determination is invalid in whole or in part. As to all or such part of the treasurer's determination as the court declares to be valid, the court shall require that the person shall pay or deliver such property to the treasurer. Either aggrieved party may appeal to the court of appeals.

SECTION 4. Tennessee Code Annotated, Section 66-29-130 is amended by deleting the "." at the end of this section and replacing it with the following:

; provided, however, that such rules and regulations shall not authorize the payment to any person of a fee or commission based upon a percentage of the amount or the value of abandoned property found or asserted by such person to be unreported abandoned property, the payment of such fees by the state being contrary to public policy.

SECTION 5. Tennessee Code Annotated, Section 66-29-135(a) is amended by inserting in the second sentence of the subsection between the words "abandoned is" and the words "the price" the language:

sixty percent (60%) of

SECTION 6. This act shall take effect upon becoming a law, the public welfare requiring it.